

RESOLUTION NO. _____

A RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS OF LEON COUNTY, FLORIDA, APPROVING MEMBERSHIP IN THE FLORIDA MUNICIPAL LOAN COUNCIL; AUTHORIZING THE EXECUTION AND DELIVERY OF AN INTERLOCAL AGREEMENT WITH OTHER GOVERNMENTAL UNITS WHICH HAVE CREATED THE FLORIDA MUNICIPAL LOAN COUNCIL; PROVIDING CERTAIN OTHER MATTERS IN CONNECTION THEREWITH; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, participating governmental units have created the Florida Municipal Loan Council (the "Council") pursuant to a certain Interlocal Agreement dated as of December 1, 1998 (the "Interlocal Agreement") and pursuant to Chapter 163, Part I, Florida Statutes, for the purpose of issuing its bonds to make loans to governmental units for qualified projects; and

WHEREAS, Leon County, Florida (the "County") desires to become a member of the Council; and

WHEREAS, it is in the best interest of the citizens of the County for the County to enter into the Interlocal Agreement.

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF LEON COUNTY, FLORIDA, as follows:

SECTION 1. AUTHORITY. This Resolution is adopted pursuant to Chapter 125, Florida Statutes, and other applicable provisions of law.

SECTION 2. AUTHORIZATION OF INTERLOCAL AGREEMENT. The Interlocal Agreement creating the Florida Municipal Loan Council attached hereto as Exhibit "A" is hereby approved and the Chairman and the Clerk are hereby authorized to execute, deliver and record on behalf of the County, the Interlocal Agreement in order that the County may enter into said Interlocal Agreement with other participating governmental units in the State of Florida.

SECTION 3. APPOINTMENT. The Chairman or his/her designee is hereby appointed as the Representative (as defined in the Interlocal Agreement) of the County for the Florida Municipal Loan Council.

SECTION 4. OTHER. The Chairman, the County Attorney, and the Clerk are hereby authorized to execute any other documents or certificates necessary to enter into such Interlocal Agreement.

DULY PASSED AND ADOPTED by the Board of County Commissioners of Leon County, Florida, on this _____ day of _____, 2003.

LEON COUNTY, FLORIDA

By: _____
Jane Sauls, Chairman
Board of County Commissioners

ATTEST:
Bob Inzer, Clerk of the Court
Leon County, Florida

BY: _____

APPROVED AS TO FORM:
Leon County Attorney's Office

BY: _____
Herbert W. A. Thiele, Esq.
County Attorney

INTERLOCAL AGREEMENT

THIS INTERLOCAL AGREEMENT, dated as of December 1, 1998 (the "Agreement"), entered into among a limited number of governmental units, each one located in the State of Florida, (the "Council Members"), which shall initially be the City of Stuart, City of Deland and City of Rockledge with their participation evidenced by the signatures of their authorized representatives;

WITNESSETH:

WHEREAS, each of the Council Members have the power to borrow funds, contract loans and issue obligations pursuant to applicable law; and

WHEREAS, Part I of Chapter 163, Florida Statutes, (the "Interlocal Act"), permits the Council Members to enter into interlocal agreements with each other to jointly exercise any power, privilege or authority which such Council Members share in common and which each might exercise separately, permitting the Council Members to make the most efficient use of their power by enabling them to cooperate on a basis of mutual advantage and thereby provide services and facilities in a manner and pursuant to forms of governmental organization that are in the best interests of such Council Members; and

WHEREAS, 163.01(7)(d), Florida Statutes, authorizes the Council Members, pursuant to an interlocal agreement, to create a separate legal entity to exercise the common power of the Council Members to issue obligations for the purposes of financing or refinancing capital projects pursuant to the Interlocal Act; and

WHEREAS, the City of Stuart, City of Deland and City of Rockledge have determined that there is a substantial need to create such a legal entity to issue obligations to provide funding to governmental entities located in the State of Florida, including the Council Members, in order to finance or refinance capital projects within said governmental entities;

NOW, THEREFORE, in consideration of the mutual covenants herein, it is mutually agreed and understood among the Council Members that now or may hereafter execute this Agreement, that the "Florida Municipal Loan Council," a legal entity and public body corporate and politic and a unit of local government for all of the privileges, benefits, power and terms of the Interlocal Act (the "Council"), is hereby created and charged with the structuring, administration and execution of the hereinafter described Program as follows:

ARTICLE I

DEFINITIONS

The following definitions shall govern the interpretation of this Agreement:

"Act" shall mean the Interlocal Act, Part II of Chapter 166, in the case of municipalities, or Chapter 125, in the case of counties, Florida Statutes, and other applicable provisions of law.

"Administrator" shall mean such program administrator selected by the Council to administer the making, originating and servicing of the Loans or any portion thereof and to act as the Council's agent as set forth in a Program Administration Agreement between the Council and the Administrator. The initial Administrator shall be the Florida League of Cities, Inc., a Florida corporation.

"Agreement" shall mean this Interlocal Agreement, including any amendments or supplements hereto, executed and delivered in accordance with the terms hereof.

"Board" or "Board of Directors" shall mean the Board of Directors of the Council, such Board consisting of local elected municipal and/or county officials chosen in the manner set forth in Article III hereof. Each member of the Board of Directors shall be a "Director."

"Bonds" shall mean the bonds, notes or other obligations issued by the Council pursuant to an Indenture or Indentures as described in Article IV of this Agreement.

"Council" shall mean the Florida Municipal Loan Council, a legal entity created pursuant to the provisions of this Agreement and the Act.

"Council Member" or "Council Members" shall mean the member or members of the Council, as shall be provided in this Agreement. The Council Members shall initially be the City of Stuart, City of Deland and City of Rockledge.

"Indenture" or "Indentures" shall mean an Indenture of Trust or Indentures of Trust to be entered into between the Council and a qualified trustee bank or banks, including any amendments or supplements thereto executed and delivered in accordance with the terms thereof. The Indenture or Indentures shall be in such forms and contain such provisions, covenants, representations and restrictions as shall hereafter be approved by the Council.

"Interlocal Act" shall mean Part I of Chapter 163, Florida Statutes.

"Loan" means an amount equal to the outstanding obligation under a particular Loan Agreement or Participation Agreement.

"Loan Agreements" or "Participation Agreements" shall mean the agreements, including the exhibits attached thereto, which the governmental entities shall execute prior to borrowing funds through the Program, which Loan Agreements or Participation Agreements shall be in the forms approved by the Council.

"Program" shall mean the financing program of the Council created and structured pursuant to the terms and conditions of this Agreement and the Program Documents.

"Program Documents" shall mean, collectively, the Indenture(s), any Loan Agreements, any Participation Agreements and such other contracts relating to credit enhancement, agreements, opinions of counsel and certificates as the Council shall deem appropriate.

"Project" shall mean such capital improvements or facilities and other governmental undertakings as shall be financed or refinanced through the Program.

"Representative" shall mean that individual or official serving as a Council Member.

"State" shall mean the State of Florida.

"Trustee" shall mean such entity to be hereafter selected by the Council to act as Trustee for the Program in accordance with the terms hereof, the Program Documents, and any successor or assigns.

Whenever any words are used in this Agreement in the masculine gender, they shall be construed as though they were also in the feminine or neuter gender in all situations where they would so apply, and whenever any words are used in this Agreement in the singular form, they shall be construed as though they were also used in the plural form in all situations where they would so apply.

ARTICLE II

THE COUNCIL

SECTION 2.01. CREATION. The Council Members hereby create the "Florida Municipal Loan Council," a legal entity created pursuant to this Agreement and the Act, as an unincorporated non-profit association under State law, none of the profits of which shall inure to the benefit of any private person.

SECTION 2.02. PURPOSE. The purpose of the Council is to enable participating governmental entities to (a) finance or refinance Projects permitted by the Act on a cooperative and cost-effective basis, (b) benefit from the economies of scale associated with large scale financings which may otherwise be unrealized if separate financings were undertaken and (c) maximize the benefits derived from the availability of moneys provided by the State for funding Projects.

SECTION 2.03. POWERS. (a) The Council is authorized for the purpose of carrying out the Program to exercise all of the privileges, benefits, powers and terms of the Act in connection with the authorization, issuance and sale of the Bonds pursuant to Article IV. Such powers include, but are not limited to, the power to make and enter into contracts and agreements necessary or incidental to the performance of its duties and the execution of its duties under this Agreement, to employ consultants, advisors, experts, attorneys and such other employees and agents as may, in the judgment of the Council, be necessary, and to fix their compensation; to sue or be sued in its own name; to receive and accept any aid or contributions from any source of money, property, labor or other things of value; to adopt a seal; and to adopt a place or places of its official meetings.

(b) No enumeration of powers herein shall be deemed exclusive or restrictive, but shall be deemed to incorporate all implied powers necessary or incident to carrying out the purposes of the Council.

SECTION 2.04. MEMBERSHIP. The Council Members shall consist of those governmental entities which have been admitted pursuant to Article III hereof.

SECTION 2.05. DURATION OF COUNCIL. From and after the date of its creation, the Council shall exist so long as any Bonds of the Council or obligations of any participating governmental entities under the Program remain outstanding. Upon termination, any assets of the Council shall be allocated among the governmental entities in accordance with the terms of each applicable Program Document.

ARTICLE III

MEMBERSHIP, REPRESENTATION

SECTION 3.01. MEMBERSHIP. (a) Membership in the Council shall consist of those governmental entities which from time to time are listed on Exhibit A hereto, having adopted an authorizing resolution in order to join the Council as a Council Member.

(b) The initial Council Members shall consist of: The City of Stuart, City of Deland and City of Rockledge.

(c) The Council may admit any governmental entity to membership upon the affirmative vote of two-thirds (2/3) of the Board of Directors at a duly called meeting of the Council.

(d) As a precondition to membership in the Council, each Council Member shall constitute a governmental entity in the State of Florida and shall deliver a duly authorized and executed counterpart to this Agreement.

SECTION 3.02. REPRESENTATION AND BOARD OF DIRECTORS. (a) The governing body of each Council Member shall appoint one or more Representatives to act on its behalf to provide information and attend meetings from time to time of the Council.

(b) The governing body of each Council Member, in its sole discretion, may remove its Representative or Representatives at any time and may appoint a new Representative or Representatives to the Council.

(c) The affairs, actions and duties of the Council shall be undertaken by the Board of Directors. The Board shall consist of not less than one (1) nor more than five (5) elected public official(s), each one of which shall be appointed in the manner provided for in subsection (d) below.

(d) Directors shall serve unlimited terms. The Directors shall be appointed by the President of the Florida League of Cities, Inc. Vacancy's shall also be filled by appointment by the President of the Florida League of Cities, Inc.

SECTION 3.03. ACTION. (a) The affairs, actions and duties of the Council shall be undertaken at a duly called meeting pursuant to Section 3.09 hereof.

(b) At any meeting of the Council at which any official action is to be taken, three of the Directors shall constitute a quorum; and a majority vote of the Directors present shall be the act of the Council except as provided in Sections 3.01(c), 3.10(b) and 5.05 hereof.

(c) A certificate, resolution or instrument signed by the Chairman, Vice-Chairman or such other designated person of the Council as may be hereafter selected by the Council shall be evidence of the action of the Council and any such certificate, resolution or other instrument so signed shall conclusively be presumed to be authentic. Likewise, all facts and matters stated therein shall conclusively be presumed to be true.

SECTION 3.04. ELECTION OF OFFICERS; APPOINTMENT OF ADMINISTRATOR. (a) Once a year, and at such other time as may be necessary to fill a vacancy, at a meeting of the Council called for the purpose thereof, the Council through its Board of Directors shall elect a Chairman and a Vice-Chairman to conduct the meetings of the Commission and to perform such other functions as herein provided. Said Chairman and Vice-Chairman shall serve one (1) year terms unless they resign sooner pursuant to Section 3.06 hereof or are otherwise removed pursuant to Section 3.10 hereof.

(b) The Council shall enter into a Program Administration Agreement with the Administrator with respect to administering and managing the Program. The Commission may also enter into such other agreements as may be necessary to establish and maintain the Program, including, but not limited to, employing counsel, accountants, auditors, financial advisors and other consultants, employing underwriters for marketing the Bonds, and obtaining credit enhancers for the Bonds.

(c) The Board of Directors shall conduct the business of and further the purposes of the Council including, without limitation, the development, structuring and maintaining of the Program. In order to more effectively carry out its duties, the Board may delegate to the Administrator certain responsibilities and duties provided that the Board provide sufficient guidelines and criteria for the performance of such duties and responsibilities.

SECTION 3.05. AUTHORITY OF OFFICERS. (a) The Chairman and the Vice-Chairman shall take such action and sign such documents, including the Program Documents, on behalf of the Council and in furtherance of the purposes of this Agreement and the Program as shall be approved by resolution of the Council.

(b) The Program Administrator or his designee, shall keep minutes of all meetings, proceedings and acts of the Council but such minutes need not be verbatim. Copies of all the minutes of the meetings of the Council shall be sent by the Program Administrator or its designee to all Representatives of the Council. The Program Administrator may also attest the execution of documents.

SECTION 3.06. RESIGNATION. (a) Any Director may resign from all duties or responsibilities hereunder by giving at least seven (7) days prior written notice sent by registered mail to the Program Administrator. Such notice shall state the date said resignation shall take effect and such resignation shall take effect on such date.

(b) Any Director, upon leaving office, shall forthwith turn over and deliver to the Program Administrator any and all records, books, documents or other property in his possession or under his control which belongs to the Council and/or relates to the Program.

SECTION 3.07. EXPENSES. The Council may establish, from time to time, procedures for reimbursement for reasonable expenses incurred in accordance with the terms of this Agreement.

SECTION 3.08. LIABILITY AND INSURANCE. No member of the Board of Directors, Representative, agent, officer, official or employee of the Council shall be liable for any action taken pursuant to this Agreement in good faith or for any omission, except in accordance with Section 768.28, Florida Statutes, or for any act or omission or commission by any other member of the Board of Directors, Representative, agent, officer, official or employee of the Council.

The initial parties to this Agreement, and any party who may now or hereafter become a member of the Council, agree the initial parties to this Agreement, individually or collectively, by executing this Agreement, have not and do not assume any liabilities arising out of the creation or operation of the Agreement, and that the initial parties to this Agreement, individually or collectively, shall only be liable for the obligations of the Council to the extent they specifically covenant to do so by separate agreement as a member of the Council. The Council hereby agrees to save, hold harmless and indemnify the initial parties to this Agreement, and their officers, employees, and agents, of and from any loss, damage or expense incurred by said parties as a result of the said parties' execution of this Agreement,

The Board of Directors is hereby authorized and empowered to obtain, at the expense of the Council, liability insurance fully protecting the respective Directors from any loss or expense incurred, including reasonable attorney's fees, for all acts of the Directors except bad faith and gross negligence. The Council hereby agrees to save, hold harmless and indemnify the Directors from any loss, damage or expense incurred by said persons while acting in their official capacity excepting bad faith and gross negligence.

SECTION 3.09. MEETINGS. (a) The Council shall convene at a meeting called by either a majority of the Board of Directors or at the request of the Chairman. Meetings shall be conducted at such locations as may be acceptable to the majority of the Board of Directors and in accordance with the laws of the State. The Chairman shall set forth the date, time, location and purpose of each meeting and notice thereof, unless otherwise waived, shall be furnished to each Representative and members of the Board of Directors by the Program Administrator, or his designee, not less than seven (7) days prior to the date of such meeting. The Chairman may direct the Program Administrator or such other designee as he may select to send the prerequisite notice for any meeting of the Council otherwise called in accordance with the provisions hereof.

(b) Within a reasonable period of time after the creation of the Council, the duly appointed Board of Directors shall hold an organizational meeting in a mutually agreeable location in the State of Florida to elect officers and perform such other duties as shall be provided under this Agreement.

SECTION 3.10. WITHDRAWAL AND REMOVAL OF COUNCIL MEMBERS. (a)

Any Council Member may withdraw from the Council at any time, if the following conditions are satisfied: (i) there shall be at least three (3) Council Members remaining in the Council subsequent to withdrawal, and (ii) a certified resolution from the Council Member's governing body setting forth its intent to withdraw from the Council is presented to the Council. Upon satisfaction of the above conditions, such withdrawal shall be effective.

(b) Any member of the Board of Directors may be removed upon the affirmative vote of at least two-thirds (2/3) of the Council Members at a duly called meeting of the Council.

ARTICLE IV

THE BONDS

SECTION 4.01. BONDS. Pursuant to the provisions of the Interlocal Act, the Council may issue, from time to time, in various series, Bonds to implement the Program and to finance and refinance Loans in accordance with the terms of the Program. Loans made by the Council shall be used by governmental entities to finance and refinance the acquisition and construction of Projects. Such Bonds shall be issued upon such terms, containing such provisions, bearing interest at such lawful rate or rates, and supported by such other documents as may hereafter be established by the Council. The Bonds may be issued pursuant to an Indenture or Indentures and be secured in such manner as determined by the Council.

SECTION 4.02. BOND PROCEEDS. The proceeds from the issuance of the Bonds shall be deposited and used for such purposes and under such conditions as set forth herein and in the Program Documents. Such proceeds may be used to finance or refinance Projects, establish debt service reserve accounts, capitalize interest, credit enhancement and pay costs of issuance. Governmental entities may reimburse themselves from proceeds of the Bonds for Project costs previously incurred by them.

SECTION 4.03. LIMITED OBLIGATIONS. Notwithstanding anything to the contrary herein or in the Program Documents, the Bonds shall not constitute "bonds" within the meaning of Article VII, Section 12 of the Constitution of Florida, which must be approved at an election of the qualified electors of the Council Members. The Bonds shall not constitute a general obligation of any of the Council Members, the State of Florida, or a lien upon any property owned by or situated within the territorial limits of any of the Council Members, or the State of Florida, except in each case to the extent otherwise specifically provided in the Program Documents. The holders of the Bonds shall not have the right to require or compel any exercise of the taxing power of any of the Council Members or the State of Florida to pay the principal of, redemption premium, if any, and interest on the Bonds or to make any other payments provided for under the Program Documents, except in each case to the extent otherwise specifically provided in the Program Documents.

SECTION 4.04. VALIDATION. Prior to their issuance, the Bonds may be validated in the manner provided in the Interlocal Act and Chapter 75, Florida Statutes, but nothing herein shall be construed to require such validation.

ARTICLE V

MISCELLANEOUS

SECTION 5.01. DELEGATION OF DUTY. Nothing contained herein shall be deemed to authorize the delegation of the constitutional or statutory duties of the State or the Council Members or any officers thereof.

SECTION 5.02. FILING. A copy of this Agreement shall be filed for record with the Clerk of the Circuit Court in each County wherein a participating Council Member is located.

SECTION 5.03. IMMUNITY. All of the privileges and immunities from liability and exemptions from laws, ordinances and rules which apply to the activity of officials, officers, agents or employees of the Council Members shall apply to the officials, officers, agents or employees of the Council when performing their respective functions and duties under the provisions of this Agreement.

SECTION 5.04. LIMITED LIABILITY. No Council Member shall in any manner be obligated to pay any debts, obligations or liabilities arising as a result of any actions of the Council, the Representatives or any other agents, employees, officers or officials of the Council, except to the extent otherwise provided in the Program Documents applicable to such Council Member and neither the Council, its Board of Directors, the Representatives or any other agents, employees, officers or officials of the Council have any authority or power to otherwise obligate the Council Member in any manner.

SECTION 5.05. AMENDMENTS. This Agreement may be amended in writing at any time by the concurrence of a two-thirds (2/3) vote of the Board of Directors present at a duly called meeting of the Council. However, this Agreement may not be amended so as to (a) permit any profits of the Council to inure to the benefit of any private person or to permit the assets of the Council to be distributed to any entity, other than the Council Members, or (b) permit the diversion or application of any of the money or other assets of the Council for any purposes other than those specified herein or to adversely affect the tax-exempt status, if applicable, of the Bonds.

SECTION 5.06. CONTROLLING LAW. This Agreement shall be construed and governed by laws of the State.

SECTION 5.07. EFFECTIVE DATE. This Agreement shall be effective from the date of execution hereof.

IN WITNESS WHEREOF, this Agreement has been executed by and on behalf of the Council Members by their authorized representatives.

FLORIDA MUNICIPAL LOAN COUNCIL

(SEAL)

By:
Name:
Title:

By:
Name:
Title:

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November 17, 2003